

the basis of independent responsibility of each country for the steps taken within its jurisdiction—reinforce the joint efforts to increase international cooperation in combating this threat.

The United States and the Russian Federation reaffirm that issues related to safeguarding nuclear weapons and other nuclear facilities, installations and materials used for military purposes remain strictly the national prerogative of the nuclear weapons state parties to the Non-Proliferation of Nuclear Weapons Treaty (NPT), for which they bear special responsibility. The Joint Statement on Nuclear Security, which we adopted in Bratislava, noted that while the security of nuclear facilities in the United States and Russian Federation meets current requirements, these requirements must be constantly enhanced to counter evolving terrorist threats. We trust that the other nuclear weapon state parties to the NPT will also ensure a proper level of protection for their nuclear facilities,

while taking into account the constantly changing nature of the terrorist threat.

As part of this initiative, we intend to work with countries possessing sensitive nuclear technologies to reaffirm their commitment to take all necessary measures to ensure proper protection and safeguarding of nuclear facilities and relevant materials in their territory.

We will be prepared to work with all those who share our views to strengthen mechanisms for multilateral and bilateral cooperation to suppress acts of nuclear terrorism, with a view to practical implementation of the measures provided for in the International Convention for the Suppression of Acts of Nuclear Terrorism as well as in other relevant international legal frameworks.

NOTE: An original was not available for verification of the content of this joint statement.

The President's Radio Address *July 15, 2006*

Good morning. This weekend, I am in Russia meeting with other world leaders at the G-8 summit. This annual summit gives us a chance to talk about key issues facing all our nations, such as energy security and the threat of infectious diseases like avian flu.

At this year's summit, we will also discuss how to promote the spread of freedom and democracy and how our countries can work together to expand trade and prosperity for all our citizens.

As the world's economic powers gather for the G-8, the American economy remains the envy of the world. And this week, we received even more positive news about our economy. On Tuesday, my administration's Office of Management and

Budget released its annual update on the budget outlook. This year's report is very encouraging. Because our economy continues to enjoy strong growth, Federal tax revenues are growing, and we are cutting the Federal deficit faster than expected.

This good news is no accident. It is the result of the hard work of the American people and pro-growth economic policies in Washington, DC. Since 2001, we have cut taxes for everyone who pays income taxes, reduced the marriage penalty, doubled the child tax credit, and put the death tax on the road to extinction. We cut tax rates paid by most small businesses and further encouraged expansion by cutting taxes on dividends and capital gains.

Together, these tax cuts have left nearly \$1.1 trillion in the hands of American small-business owners, workers, and families. And you have used this money to help spur an economic resurgence that has produced 18 straight quarters of growth.

Some in Washington think the choice is between cutting taxes and cutting the deficit. This week's numbers show that this is a false choice. The economic growth fueled by tax relief has helped send tax revenues soaring. When the economy grows, businesses grow with it, people earn more money, and they pay taxes on this new income.

In 2005, tax revenues posted the largest increase in 24 years, and they're projected to rise again this year. The increase in tax revenues is much better than we had projected, and it is helping us cut the budget deficit.

Our original projection for this year's budget deficit was \$423 billion. This week's report from OMB projects that this year's deficit will actually come in at \$296 billion, a reduction of \$127 billion. That is a tremendous difference, and 90 percent of it is because our growing economy has produced a lot more tax revenues.

Because of these new revenues, we now project that we'll meet our goal of cutting the Federal deficit in half by 2008, a full year ahead of schedule. This is real progress, yet we cannot depend on a growing economy alone to cut the deficit. We must also cut waste and restrain unnecessary Government spending. And my administration is doing its part.

Every year since I took office, we have reduced the growth of discretionary spending that is not related to national security.

My last two budgets have actually cut this kind of spending. I am also working with Congress to pass a line-item veto, which will help me and future Presidents target wasteful spending that lawmakers tack on to large bills. The House has already passed this measure with significant bipartisan support. Now the Senate needs to act and get a line-item veto to my desk to sign into law.

Finally, I will continue to work with Congress to address the unsustainable growth of entitlement spending so that we can save programs like Social Security, Medicare, and Medicaid for our children and grandchildren.

This week's good news confirms the wisdom of trusting the American people with their own money and being wise with the money they send to Washington. By pursuing progrowth policies and restraining Government spending, we will keep our economy the envy of the world. We will create more jobs and opportunities for all our citizens, and we will deliver results for the American taxpayer.

Thank you for listening.

NOTE: The address was recorded at 8:50 a.m. on July 14 at the Kempinski Grand Hotel in Heiligendamm, Germany, for broadcast at 10:06 a.m., e.d.t., on July 15. The transcript was made available by the Office of the Press Secretary on July 14 but was embargoed for release until the broadcast. Due to the 8-hour time difference, the radio address was broadcast after the President's news conference in Strelna, Russia, and the accompanying joint statement. The Office of the Press Secretary also released a Spanish language transcript of this address.

Remarks Following Discussions With Prime Minister Romano Prodi of
Italy in Strelna
July 15, 2006

President Bush. I've enjoyed my visit with the Prime Minister, Romano. I've known him for a long time. This isn't the first time we have had discussions, and so therefore, the discussions today were very cordial. They reflect the important relationship that the United States shares with Italy.

Before I say anything beyond this, I do want to congratulate your great country for winning the World Cup.

Prime Minister Prodi. I am happy to—

President Bush. I bet you are happy for it. And we were very excited for the Italian people as they celebrated the magnificent victory.

Romano and I talked about a lot of issues that face the world. No question, when Italy and the United States works together, along with other countries, we're able to achieve important breakthroughs. We talked about Iran; we talked about the Middle East; we talked about a variety of issues. We talked about energy; we spent a lot of time talking about energy.

I want to thank you for your time, thank you for your frank discussions. It's good to see you again.

Prime Minister Prodi. I hope that we can meet sometime again.

President Bush. Yes, sir, thank you.

Prime Minister Prodi. I confirm what George told—we had a very frank conversation concerning all that—[inaudible]—issues. But now—[inaudible]—first of all, Middle East, of course, then Iran and Iraq and Afghanistan. Then we spent a lot of time on the future. I think we—[inaudible]—for Africa—[inaudible]. There's certainly a vision between U.S. and Italy—[inaudible]—and our friendship is stronger, Mr. President.

President Bush. Yes, sir. Thank you, Romano.

NOTE: The President spoke at 6:44 p.m. in Cottage Nine at the Konstantinovsky Palace Complex. A tape was not available for verification of the content of these remarks.

Remarks Following Discussions With Prime Minister Tony Blair of the
United Kingdom and an Exchange With Reporters in Strelna
July 16, 2006

President Bush. It's good to be here with my friend and our close ally. We just had a wide-ranging discussion. We talked about the Middle East, we talked about Iraq, we talked about Iran. I was pleased to inform and thank Tony for the good work in the United Nations on a unanimous resolution regarding North Korea.

We talked about trade. We're both committed to a world that trades freely. All in all, it's a typical Blair-Bush conversation;

it was wide-ranging and conclusive. And I appreciate your insight and your thoughts.

Prime Minister Blair. Well, thank you very much, Mr. President. The President has indicated to you the subjects we discussed. And we went through basically all of the international agenda, as evidence of a very strong common agreement on the key questions.

President Bush. Steve [Steve Holland, Reuters].